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LETTERS TO THE EDITOR

True subcontractor costs not out of line

The June 10 front-page article "\$9 million Plexus contract prompts questions about DOT practices" reported that Connecticut and Massachusetts perform their construction monitoring in-house with state employees while Rhode Island uses an outside subcontractor, Plexus Corp. The article argues that the Plexus vice president would charge the state \$224,640 for what project engineers would do for \$60,000 to \$83,000 in Connecticut.

This looks like an outrageous cost difference. However, this is very misleading. State employees in Rhode Island, Connecticut or any state have many costs associated with their employment that need to be considered to do a fair comparison with subcontractors.

The state employee receives benefits of health care, vacation, pensions, etc. The state employee has supporting employees such as his or her boss, human resources, accounting, etc. The state employee has an office with heating, lighting, a desk, a computer, supporting vehicles, etc., that need to be purchased and maintained. The state employee's office is in a building that requires rent or maintenance.

All of these costs are associated with the state employee. They could be twice his or her annual wage (\$60,000 wage plus \$120,000 overhead equals \$180,000; or \$83,000 wage plus \$166,000 overhead equals \$249,000). There is one other factor that must be considered, also: the productivity of the state worker versus the productivity of the private subcontractor. They are rarely the same.

Using such cost comparisons of the \$60,000-to-\$83,000 project engineer versus the "greedy" subcontractor is just plain misleading. I don't know what the true state costs are, but your portrayal only qualifies as sensational reporting and not fact-based news.

I applaud your inquiry into how our state government works. Transparency and accurate reporting by responsible media are one of the best ways this works. That is your responsibility. But let's stick with fact-based news.

HAROLD BURNS

Riverside